



Shelby Energy Cooperative

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November 1, 2011

Ms. Kimra Cole
Director of Engineering
Kentucky Public Service Commission
P. O. Box 615
Frankfort, KY. 40602-0615

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COMMISSION

Dear Ms. Cole,

In 1999, Shelby Energy Cooperative, Inc. joined a 5-year pilot project to sample test single phase self contained meters. Prior to this Shelby Energy was testing meters on an eight year test cycle which meant the oldest test date on a meter was 1992. When the pilot project was over KYPSC approved the Sample Testing Plan (2005-00276) and ordered Shelby Energy to follow this plan. At that time Shelby Energy chose to continue to sample test its meters.

In late 2010 and early 2011, Shelby Energy changed all of these type meters out to a newer solid state type meter. We had noticed some meters had test dates of 1992 which means they had never been tested since we went to sample testing. To avoid not testing all meters within a specific time period Shelby Energy plans to start periodic testing of these type meters. Within KYPSC Order 2005-00276 Section II, D (1) the order allows for either of the following plans:

- a. Periodic Interval Plan or b. Statistical Sampling Plan.

Shelby Energy plans to start testing meters in 2012 following the Periodic Interval Testing Schedule in Order 2005-00276. Shelby Energy has approximately 16,000 meters in service and starting in 2012 would be testing 1,100 (or 1/15th of installed meters) meters annually to be in compliance with the periodic interval testing schedule.

Sincerely,



David Graham
System Engineer

c: Debra Martin
 Jason Ginn